

Briefing Paper for the May 4, 1996
Oregon Recycling Market Development Summit
Post-Summit Edition

Prepared for the

Summit Organizing Committee

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FOREWORD

The Steering Committee for the May 4, 1996 Oregon Recycling Market Development Summit wishes to acknowledge the support and efforts of all the individuals and organizations that contributed to making this event possible. In addition to those specifically listed below, many others have contributed their time and perspectives through participating in focus groups, in submitting needs surveys, or in other behind the scenes efforts. Thank you!

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Summit Sponsors

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 Waste Management of Oregon

Summit Endorsers

76 Products/UNOCAL
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 City of Portland Energy Office
 Clean Washington Center
 East County Recycling
 Environmed

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 Meta Morf
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 NAPCOR
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 Oregon Marketplace/CATALIST
 Oregon Recycling Markets Development Council (ORMDC)
 Oregon SBDC Network
 Owens-Brockway Glass Containers
 Pacific Northwest Economic Region (PNWER)
 PCC Small Business Development Center
 RE USE IT
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 Resource Revival
 River Cities Resource Group
 Steinfeld's Products Company
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INTRODUCTION

This briefing paper was developed to provide the context and substantive information for participants attending a day-long Summit scheduled for May 4, 1996. At the Summit a dozen panelists will sought to assess progress made by the State of Oregon over the last five years in implementing efforts to develop recycling markets. The panelists also considered a range of needs and opportunities within the recycling industry that could be addressed through coordinated market development efforts over the next three to five years. Alternative directions were considered in charting a state market development path(s) and in identifying potential roles and funding sources for undertaking appropriate activities and programs.

The Summit was organized by a broad-based group of organizations and interests (sponsors and endorsers) who share a common goal of wanting to see positive progress made, and responsible efforts undertaken, to support the state's efforts to establish and maintain a healthy and stable recycling industry. A steering committee worked hard for several months to organize the Summit and coordinated with Harding Lawson Associates (HLA) in the collection of information and input needed for the preparation of this briefing paper.

The briefing paper is organized into four sections which provide input and background information to address the following questions:

1. What has been done thus far? (Background)
2. What areas need attention? (Needs and Opportunities)
3. Where might we go and how might we get there? (Market Development Options and Directions)
4. What came out of the May 4th Summit? (Summit Results)

Summit panelists and other participants contributed their own experiences and perspectives to the information summarized within this paper in attempting to wrestle with these important questions during the Summit session.

In preparing this briefing paper, program descriptions or other background materials were requested from a number of government and industry market development programs. A needs survey was sent to over 750 individuals. 78 of these were completed and returned. In late March, over 40 individuals participated in focus groups or interviews. Detailed results and summaries of the comments and input obtained from these efforts are included in the Resource Document that supports and is appended to the information summarized within this briefing paper. Readers may have an interest in reviewing these background materials in order to get a better flavor of the tone and concerns of those who provided specific input. The Resource Document is available for those who request it and there is a charge for printing

(contact Karen Green at the Metro Regional Environmental Management Department (503) 797-1675).

This paper is intended to present, in a concise manner, the broad perspectives that were discovered while researching Oregon's market development needs and possible solutions. In doing this, many comments and issues have been condensed and reorganized to portray the vastly diverse inputs and responses that were contributed. The purpose of the paper is to distill as much of the information as possible into a coherent, logical, and readily usable format. In many cases, certain respondents felt that particular directions would be appropriate while others felt that distinctly opposite directions would be appropriate. No effort has been made to weight or bias the reported findings in any particular direction.

Some of the points that are noted are the perspective of just a few individuals while other concerns that are mentioned were echoed by many voices. Many insightful comments were received as input to the process that either represent very detailed perspectives on particular issues, were singular opinions, or were focused on specific material streams that represent only minor volumes in relation to the state's total waste stream challenges (e.g. PS foam, paint containers, printer cartridges, etc.). It has not been possible to reference such concerns at every possible location within this briefing paper and to still stay within the page limit that was set. In editing and organizing the vast input, a balance was sought to portray those ideas and issues that are most relevant to the larger state-wide picture. As noted, the full record of all comments and opinions expressed are available within the Resource Document, and it is recommended that the panelists and other summit participants take the opportunity to review that material in detail.

In obtaining input for the briefing paper, it became clear that the term "market development" means a variety of things to different people depending upon their own experiences and perspectives. For the purposes of the briefing paper, the broadest possible meaning has been applied to the term in assuming that it encompasses:

Any private or public action or set of actions taken with the intention of improving the viability, profitability, stability, and/or long-term health of the recycling industry and particular operations or functions that exist within it, either through the improvement of material supply qualities and quantities in separation, collection, processing, and transporting activities, or in the manufacture and purchase of, or demand for, products made by secondary material end users.

A Thoughtful Reader's Guide to the Briefing Paper

- Where to Look and What to Think About:

The following 10 items serve as a table of contents or outline for the briefing paper and provide a set of questions that reviewers may find helpful to clarify their own thoughts as they read through the paper. These questions are not intended to duplicate the list of topics on the Summit agenda, however, thinking through them should prepare you, as much as anyone else, for the planned discussions.

1. Page 2 provides one possible definition of the term "market development" - Should this definition be clarified or expanded?
2. Pages 5 and 6 provide a number of perspectives on what has been done so far - Do these perspectives provide a generally accurate overall portrayal of what has been (or has not been) accomplished?
3. Pages 6 to 9 provide an overview of existing efforts classified according to 8 strategies:
 - data collection & information sharing
 - promotion & education
 - coordination & facilitation
 - technical assistance
 - financial assistance
 - research and development
 - investment
 - regulation and legislation

- How useful are these existing efforts, relative to each other, and do the identified strategies suggest models for formal efforts that could be effective in setting future market development directions for the state?
4. Pages 9 and 11 list a number of identified problems, barriers, and/or short-comings with Oregon's market development efforts - Which of these types of issues (if any) would most appropriately be addressed through formal market development efforts?
5. Pages 12 to 16 provide a summary of the needs and opportunities that have been identified. These include concerns affecting 5 areas:
 - regional processing and/or end use capacity and demand
 - regional supplies and collection systems
 - operator experience and capabilities
 - economics and transportation
 - material specific factors
 - communication, cooperation, and common vision

- Which of these concerns or needs are of the highest concern and warrant state-wide attention through formal market development efforts?
6. Pages 17 to 19 summarize suggested visions and goals that could provide direction to Oregon's future formal market development efforts. Key themes include the following:
 - clarify leadership roles and directions
 - provide leadership
 - address key commodities
 - address problem commodities
 - increase value-added manufacturing
 - continued ORMDC role
 - increase market pull for recycled products
 - focus on rural and eastern Oregon
 - view market development as a resource conservation issue
 - address end market needs
 - pay attention to market economics
 - focus on cooperation and communication
 - implement new services and approaches

- Which of these visions or goals might provide a basis for needed consensus or debate?
7. Pages 19 to 22 present a range of alternative paths and strategies that could be used to address the 5 areas of identified needs and opportunities:
 - regional processing and/or end use capacity and demand
 - regional supplies and collection systems
 - operator experience and capabilities
 - economics and transportation
 - material specific factors
 - communication, cooperation, and common vision

- Which of these, or possible other, strategies could be effectively employed to address particular needs or opportunities?
8. Pages 22 to 25 summarize suggestions for alternative private and public sector roles that could be used to implement market development efforts. General areas of emphasis might include:
 - Private -
 - inform, promote, & work together
 - take care of business - profitability
 - make investments
 - address specific materials
 - Public -
 - provide needed information services
 - maintain a waste management orientation
 - provide direction and leadership
 - provide services to businesses
 - provide financial support for businesses
 - actively pursue new areas/technologies
 - direct investment/greater commitment
 - help to address industry barriers

- What sharing of public and private roles would be most effective in addressing market development needs?

9. Pages 25 to 27 present a summary of alternative leadership and funding approaches that could be used to implement formal market development efforts. Suggestions fall within the following categories:

Leadership -

- informal, low-profile, undefined
- private sector
- existing agencies/organizations
- new or reformulated organizations
- other

Funding -

- industry
- solid waste disposal surcharge/tax
- advance disposal fees
- virgin materials tax
- public agency budgets

- other/mixed funding

- Which combination(s) of leadership and funding would be most workable for implementing formal market development efforts in Oregon?

10. Pages 27 to 28 summarize a variety of other issues, concerns, and factors that groups or individuals have suggested as important input to the Summit in considering future directions of Oregon's market development efforts. - What "big picture" insights have you gained through your review of the briefing paper and what questions remain unanswered?

11. Pages 29 to 34 present the summit results

Thank you for your time and interest in reviewing the briefing paper. We look forward to seeing you at the Summit.

BACKGROUND - WHAT HAS BEEN DONE SO FAR?

What are the general thoughts and feelings on what has been done so far?

Those participating in focus groups or completing needs surveys helped to answer this question. When respondents were asked to rate the degree of impact that existing market development efforts have had, 76 percent said that the impact has been low to moderate.

**Summary of Needs Survey Responses -
“What impact do you believe existing Oregon
market development efforts have had?”**

Responses:	13%	22%	41%	14%	10%
Possible Ratings:					
1	2	3	4	5	
no				high	
impact				impact	

The following detailed respondent comments portray some of the thinking behind this evaluation:

- The focus has been on existing materials markets (metals, paper, glass, tin) which have been stable, while newer material markets have been unstable. Nothing has been accomplished for those materials that will add any volume, such as organics. Market development efforts are woefully deficient.
 - SB 66 was originally on the right track but got derailed by special interests. ORMDC efforts made us aware of the status of markets and recycling, but they were not capable of effecting supply and demand as currently funded or legislated.
 - Government emphasis has been on the collection and reporting of data - this has had little effect in developing new markets. More grants, funding, and tax credits are needed for developing alternative products.
 - Some tangible assistance has been offered to individual companies and in the Metro area, however, little has been done on a state-wide basis to increase Oregon end use capacity. Few solid links or networks have been formed with existing efforts or to provide technology or marketing/business assistance.
 - Formal efforts have not helped much in rural, geographically isolated areas with small volumes.
 - Some believe that efforts at plastics recycling are fragmented and that nothing has been done to create in-state end markets for recycled plastics.
 - Participation in recycling could be better promoted.
 - It has not been clear how existing market development efforts should be evaluated (growth in sales, growth in jobs, business retention, recycling rate, etc.)
 - The effectiveness of government grants is questionable and there are concerns over favoritism and the use of local public dollars for start-up businesses when many federal grant programs are available.
- There were also positive observations on, and recognition of, what has been accomplished:
- Recycling has become a habit, even in rural Oregon. More people are aware of, and participate in, recycling.
 - There has been a logical presentation of data. No rash, ill-considered programs have been developed. A number of new markets have come on-line in Oregon since the start of the ORMDC.
 - Private sector investments and R & D have helped the markets mature in response to supply and demand factors, however, it is very difficult to evaluate the effect of any particular entity.
 - Tax credits were especially helpful in the 1980s and early 1990s, though they have been controversial. Industry reports that tax credits caused mill upgrades and expansions in Oregon that otherwise would have occurred elsewhere, if at all. From a lender's perspective, the Oregon tax credits have had a very significant effect for both small and large businesses who know how to use them.
 - Increases in disposal costs have helped to increase supplies. Reductions in the availability of key virgin commodities and increases in their costs, along with national solid waste/recycling laws, environmental policy, and consumer demand for recycled products, have helped to develop markets more than official efforts in Oregon have.
 - The most effective programs have been those that are smaller and localized, rather than those that are state-wide and broad focused.
 - The President's Executive Order requiring recycled content paper for federal work has had a very good response, with some agencies actually asking for and receiving greater than required content levels. Metro's buy recycled guide has been useful. Many former challenges to using recycled products, such as cost differentials and copier compatibility, have been overcome. Some major businesses report benefits in being involved in the Buy-Recycled Alliance and the Recycled Paper Alliance.
 - Contractors in some areas are satisfied with markets for gypsum wallboard and concrete and believe that recycling in the C & D sector has flourished.

- Many of the industry investments in upgrading end use capabilities have been done on the basis of industry's own market analysis and cost control efforts, without the push of regulatory programs or the demand pull of publicly lead buy-recycled programs.

What have particular programs accomplished or attempted to do?

Program descriptions or profiles and supporting documentation provided by some 13 organizations are presented in the Resource Document and provide the detailed answers to this question. Examples of various efforts reported by these programs are summarized in the following subsections according to the type of activity or market development strategy/tool that was employed. Eight categories have been identified to classify these efforts and they generally range from the least intrusive or disruptive (data collection and information sharing) to the most intrusive or demanding (regulation and legislation).

Data Collection and Information Sharing

- The ORMDC prepares annual reports for the commodities of paper, glass, and plastics. These reports indicate the status of paper, glass, and plastics recycling in the state, the barriers to enhanced market development, and recommended actions to overcome these barriers.
- The Plastics Division of the ORMDC has been involved with the gathering and sharing of information, along with recommendations, to appropriate parties.
- Funds from the Oregon Recycling Economic Development Advocate (REDA) Program of the OEDD have been used to develop this briefing paper for the Oregon Recycling Market Development Summit. EPA Region X, along with Metro and a number of other organizations have also contributed to this effort.
- The Clean Washington Center, with support and collaboration from a number of other agencies in the region (including some in Oregon), provided dissemination of information in a Glass Markets Information System (GMIS).
- Metro has done much in the area of recycling data collection and reporting; including tracking markets, portraying types and volumes of flows, establishing databases, improving data collection to meet the needs of users, monitoring business recycling practices and recycled product procurement, and publishing various analyses.

Promotion and Education

- DEQ makes recommendations to state agencies, in consultation with the Department of Administrative Services, to increase procurement of products with recycled content.
- RCRA requires EPA to designate products that can be made with recycled materials and to

recommend practices for buying these products. EPA has now done this for 24 products, and is involved with the promotion of recycled content product procurement for federal agencies.

- "Get in the Loop", a four-week promotion of recycled-content products and packaging developed by the King County (Washington) Commission for Marketing Recyclable Materials, is the largest and among the most effective consumer buy-recycled campaigns in the nation. "Get in the Loop" has a two-year track record of sales success and the campaign is expanding outside of Western Washington in 1996. Participation in the summer 1996 campaign includes the Oregon DEQ, Portland Metro, and Lane County.
- The annual AOR spring and fall conferences incorporate market development issues into panels and special workshops.
- The REDA Program promoted the recycling industry and specific recycling companies for inclusion in OEDD and regional economic development programs.
- The Clean Washington Center has produced over 35 reports on the economic and technical feasibility of various recycled material applications, market assessments for recycled products, and policy evaluations.
- Metro has done much to promote the use of recycled products, including holding conferences and workshops, conducting training sessions, publishing information and training manuals, and demonstrating products.

Coordination and Facilitation

- ORMDC and other agencies, including DEQ and Metro, sponsored an application to the U.S. EPA for a grant to fund an 18 month recycling economic development staff position at the OEDD. This project ends in April 1996.
- ORMDC has created targeted task forces, such as the Buy Recycled Task Force and the Recycling Materials Task Force, to address special issues.
- ORRA and its members have helped implement collection of recyclables throughout the state and are involved with ongoing efforts to increase commercial recycling.
- The Clean Washington Center works closely with regulators and policy makers at the local, state, and national levels to increase public sector support for recycled material markets, increase program effectiveness, and address regulatory barriers. A project to have recyclables bought and sold through the Chicago Board of Trade is one example of this activity.
- EPA (with support from other parties) is the primary organizer, facilitator, and recorder for quarterly Regional Market Development Roundtable meetings. The Roundtable, formed in the spring of 1991, is composed of various market development contacts throughout EPA Region X,

and is concerned with the coordination and discussion of market development efforts at the Northwest regional level.

- Metro has formed a number of steering committees, and partnerships with various parties to reduce fragmentation of market development services, to leverage resources for market development, and to support the use of recycled content materials.

Technical Assistance

- The REDA Program responded to specific recycling company requests for assistance in the areas of business development and finance.
- EPA, through a cooperative agreement with PNWER and the participation of OEDD and Metro, has established a travel fund (Travel Match Peer Program) which helps deliver expert technical assistance to Oregon companies and communities.
- The Business Assistance Group of the Clean Washington Center provides commodity specialists to assist the growth of markets for target materials. Technology assistance is provided through the Center's Recycling Technology Assistance Partnership (ReTAP) program (conducted in cooperation with NRC). And marketing assistance is provided through the Center's Marketing Group. These services have provided some limited assistance to Oregon businesses. The Center has also developed documents describing successes of the organization's programs in the areas of plastics, glass, mixed paper, and compost.
- Metro has published a directory of technical and financial resources available to local recycling businesses, seeks to match manufacturers with sources of appropriate recyclables, and has worked on the development of standards for buying compost and mulch.

Financial Assistance

- DEQ has administered the Pollution Control Tax Credit (PCTC) program for twenty years, and the Plastics Recycling Tax Credit (PRTC) program for ten years. These programs allow the deduction of 50 percent of the cost of qualifying investments from state income taxes over a multi-year period.
- The Oregon Department of Energy administers the Business Energy Tax Credit program, which provides a tax credit for 35 percent of eligible project costs to be spread over several years. Since 1981, this program has been used for more than 1,200 recycling projects.
- ORMDC was the primary source of matching funds for an EPA Region X grant funded 18-month recycling economic development advocate (REDA) staff position at the OEDD.
- AOR has financially supported market development activities including some in glass and waste oil.

- The OEDD offers a variety of business financing products which can help any Oregon business, including recycling firms, finance their growth. Examples of these are the Entrepreneurial Development Loan Fund, the Oregon Business Development Fund, the Capital Access Program, the Credit Enhancement Program, and Industrial Development Revenue Bonds.
- The EPA Jobs Through Recycling (JTR) Initiative awarded funding for two Recycling Economic Development Advocate (REDA) positions in Oregon in 1994, one under the auspices of the OEDD and one in the Siletz tribe. The Siletz tribe has used this funding to move ahead with plans to develop a composting operation that will co-compost MSW organic materials with fisheries processing wastes. In 1995 the JTR awarded funding to the Grande Ronde tribe for a project which will help to enhance recyclable material utilization in rural Oregon.
- An EPA grant to the King County Commission for Marketing Recyclable Materials is being used to help expand the "Get in the Loop" program outside of Washington state.
- Metro awards small, highly targeted, matching, grants to help foster the development of new recycling technologies and recycled products.

Research and Development

- DEQ and Metro coordinated in funding a demonstration project using rubber-modified asphalt paving in 1989-90.
- Metro, ORMDC, DEQ, and AOR coordinated to fund a major regional study designed to enhance the use of reclaimed glass in construction applications.
- An EPA grant to the Clean Washington Center was used to accomplish an evaluation of recycling businesses financing needs in Washington state. The findings of this effort may have value to the financing of other Northwest region recycling businesses.
- Metro has commissioned studies on the performance of recycled products and published results of these studies.
- Metro is working on the development of a food waste composting pilot program and has commissioned market investigation studies for alternative uses of wood and glass.

Investment

A large number of private companies have invested in the development of facilities, equipment, processes, or operations that have contributed to the collection, processing, and end use of recyclable materials. The cumulative amount of these investments totals in the hundreds of millions of dollars. These investments have been used for expanding drop-off and curbside collection efforts as well as for recyclables processing; paper mill expansions, upgrades and retrofits; plastics sortation and price supports; compost facility

development and expansion; glass processing; recycled product purchasing; business start-up and diversification; and for new product testing, development, distribution, and marketing. Examples are provided in the Resource Document of specific investments that have been made. In some cases these investments have been the result of industries responding to public priorities and regulations, though in other cases businesses own evaluations and projections of market demand and their search for cost-effective feedstocks have been the primary motivators for these investments.

Regulation and Legislation

- DEQ, as part of its role as a state agency, is involved with drafting state legislation concerning standards for recycled content of building materials and design for recycling.
- AOR has lobbied for legislation that would expand markets in Oregon.
- Metro's waste disposal rate structure and facility franchising policies have been designed to increase material recovery and to foster the development of local recycling businesses.

What are some identified problems, barriers, or short-comings with Oregon's existing market development efforts?

Needs surveys and focus group participants were asked to help answer this question. Issues identified ranged from comments on specific formal efforts to effect markets, and material specific observations and concerns, to more systemic or economic concerns. Examples of noted short-comings include:

Short-Comings of Formal Efforts

- There has been a lack of vision, focus, and leadership in attempts to establish a state market development program. Efforts have been token. There have been lots of studies and meetings but little to show for it. Limited funding and organization have been provided at the state level.
- Local and state market development efforts can have little influence on markets that are global and/or highly fragmented.
- Service delivery systems to support recycling businesses are fragmented and there is no good mechanism for identifying, setting priorities, and coordinating needs and solutions on an ongoing basis.
- The absence of OEDD has been a problem since they have expertise in this area. Recycling is not integrated into overall state economic development policies.
- The ORMDC and OEDD efforts have failed to meet critical standards for any program: develop a mission statement and measurable objectives; identify results or effects of efforts; show how they have made a difference and how they have

served current law; relate activities to industry growth and stability; and show why activities they do should have priority over the activities of others that compete for the same resources.

- Recycling related businesses tend to have trouble accessing financing. Often existing operators or would-be entrepreneurs lack the business skills needed to be successful or to obtain financing.
- There are a lack of financial incentives for businesses and manufacturers to use recycled materials.
- Local regulation and licensing of recycled product manufacturers are sometimes counter-productive and punitive.
- Research or demonstration projects to show the benefits of using recycled or compost products have not gone far enough. Results of such studies need to be better publicized.
- There is a lack of education and promotion on the availability and uses for recycled material feedstocks. There hasn't been enough emphasis on the end results of recycling and the full life-cycle benefits (both local and global) of recycling.
- There has not been national publicity about Oregon's market search for supplies of various materials.
- Government proclaims desirable environmental goals, such as economically feasible recycling and buying recycled, but often does not practice what it preaches.
- Tax incentives do not develop markets as much as they reward investments that might have happened anyway. Tax incentives don't increase material recycled, though they may hasten or increase some equipment purchases. The structure of and budget limitations to the DOE and DEQ tax credits, have hindered recycling progress.
- There has been too much emphasis on the curbside municipal waste stream and too little on C & D and other streams.

Short-Comings for Specific Materials

- Organic and yard debris markets have not been adequately addressed.
- Opportunities for the construction industry to recycle large volumes of valuable salvage materials are insufficient. Development of markets for used roofing materials has been insufficient.
- Paper mills are trying to control the flow, markets, and prices for paper materials.
- Still more OCC and other fibers can be recovered from within the region.
- In the area of plastics, too much emphasis has been directed towards efforts of outside interests. More local and regional plastics markets are needed.

- There has been little help or concern about used oil recycling markets or the problems of difficult to recycle materials.
- There is no Oregon recycling operation for oil-based paints and only one for latex paint.
- Too much effort has been focused on commodities with relatively small volumes.

Systemic or Economic Short-Comings

- There are huge price fluctuations in secondary materials markets.
- The demand for recycled products has been lower than anticipated. In some cases, the prices of recycled goods are not competitive. Oregon citizens aren't committed to buying recycled.
- It remains hard for rural areas to recycle some items including plastics and glass containers that are not subject to the Bottle Bill. Most of the recycling markets are on the West side of the state and Eastern Oregon economics are too heavily dependent on transportation costs.
- Market sustainability and the closed loop concept are concerns. A temporary or false market (such as the Gerten PRF which is currently subsidized) may cause more harm than good to the system as it affects economics of collection and the ability to recapture investments. Individual participants may lose faith in the system.
- Haulers have often been required to collect materials before stable markets are developed. Too much emphasis has been placed on collecting more and more while ignoring end use markets. For collectors, there is a huge gap between beginning collection of a material and the economic pay-off.
- Franchised waste collection discourages free market programs for collecting materials, such as ONP, needed by local end users. Waste haulers dictate the structure and economics of most programs and cherry pick the profitable items while ignoring the balance of materials (e.g. PS foam).

NEEDS AND OPPORTUNITIES - WHAT AREAS NEED ATTENTION?

It is generally agreed that market development efforts or initiatives have the most chance for accomplishing key objectives when they are directed towards addressing very targeted needs or opportunities. Through the needs surveys, program profiles, and focus group discussions, a wide range of needs and opportunities have been proposed. These have been categorized according to six areas:

Regional Processing and/or End Use Capacity and Demand - Identified Needs and Opportunities

- Maintaining and strengthening the existing markets are a primary concern, while development of new markets is a secondary concern. Markets need to be there for the long-term. More attention must be given to strengthening the end use side rather than the collection/supply side. More diverse and competitive markets need to exist for all materials (except for aluminum). The number of end users for certain materials, such as container glass, window glass, and tires is very limited. Diversification of end uses would strengthen the recycling system.
- A state-wide characterization of existing industry capacity is needed.
- We need more markets in Eastern Oregon. Vertically integrated small operations may be the solution (one site to collect, process, produce a product, and sell that product).
- Mills want cost-effective, local supplies of recovered paper.
- Contamination of collected supplies is a concern that needs to be addressed at the generation and collection stage. Continued efforts need to be focused on preserving the quality of recyclables that are collected. Commingled collection systems could have an adverse effect on end users' abilities to process materials.
- A strategic objective is needed to foster the development of reconditioning and reuse businesses.
- Greater business, industry, and consumer demand is needed for higher recycled material content.
- In-state research, studies, field trials or demonstration projects are needed to convince potential buyers of the quality and value of unfamiliar recycled products, such as compost.
- Cost-effective methods are needed to evaluate the effects of public sector purchasing of recycled products.
- For plastics, improvement is needed in the collection, sorting, and consolidation steps, and then in accomplishing washing, pelletizing, and consumption within the region. There is an ongoing need in the state to develop a larger

supply and to gain economies of scale in processing systems that produce high quality materials (i.e., Gerten PRF).

Regional Supplies and Collection Systems - Identified Needs and Opportunities

- Franchise ratesetting based on last year's operating results puts significant financial market risks on the haulers, who are expected to move materials based on next year's recovery goals. It needs to be recognized that there are limits to the number of materials that can be picked-up at the curbside efficiently. Communication with and support of Oregon haulers and collectors needs to be maintained.
- Recycling businesses who provide collection need standardized operating requirements. Because of ratesetting disincentives, franchised haulers may not take the more difficult route of researching available markets that provide higher value products when "easier" solutions are at hand (e.g., urban wood to hog fuel). The lack of reduced tipping fees at some facilities may also provide disincentives to recover materials.
- In some areas of the state, too much effort is required to divert insignificant volumes of material.
- Northwest mills will operate more efficiently if their recovered paper fiber can be obtained locally rather than from outside the region.
- Many consumers are still frustrated over limits on plastics recycling opportunities. Some areas still have a lack of depots or other recycling collection systems.

Operator Experience and Capabilities - Identified Needs and Opportunities

- Many manufacturing companies using only virgin feedstocks need to see the potential in using recycled materials. Private sector users or potential users of recycled materials would benefit from technical assistance - similar to that provided by the Clean Washington Center.
- Oregon has no recycling business retention goals. Recycling business failures are disruptive and new business start-ups are unpredictable. It is best for the recycling system to retain existing businesses, secondarily, it is important to encourage the development of new businesses.
- Financial resources (debt and equity capital) are needed by many start-up or expanding companies. Recycling entrepreneurs often lack the business skills or solid business planning capabilities that are required. Many recycling businesses with a limited track record and meager cash flows are seen as high risk by lenders and

find it difficult to obtain financing. Recycling businesses have often not done the appropriate homework in seeking financing. There is a concern by lenders over involvement in operations linked with potentially hazardous materials, or even materials that could get messy and pile up if markets evaporate, as this could create potential future “deep pocket” liability.

- Local manufacturers of recycled products may need assistance in working with distributors to gain entry into the state’s complex purchasing systems. Procurement systems and procedures are very different for construction or capital projects than for O & M supplies.
- Those involved in organics processing, in the C & D recycling area, and in the use of recycled building products perceive a need for greater networking, access to information, and agreements on product standards and specifications.

Economics and Transportation - Identified Needs and Opportunities

- When export market prices go up, more local recyclables are exported. This hurts local markets that require stable supplies and predictable costs.
- Systems are needed to assist rural collectors in getting their products to market.
- Transportation costs in getting materials to market from outlying/rural areas are a concern. An Eastern Oregon hub is needed for receiving, storing, and processing recyclables.
- Market demand is not the primary driver in determining which materials haulers will pick-up. Costs of collection are subsidized by refuse rates for many materials.
- Businesses need financial incentives to invest in the use of recyclable materials.

Material Specific Factors - Identified Needs and Opportunities

- The focus of market development efforts needs to be on only those materials that have not been traditionally recycled in the market place.
- Organics and yard debris are the single largest fraction of the waste stream without viable markets. Food from residential and commercial sources also needs to be addressed through pilot collection and composting efforts. Compost production and use needs to be encouraged in non-urban areas of Oregon, in nursery and horticultural industry applications, and in large transportation and landscape projects. Research work on product testing and standards needs to be done within the state (i.e., by OSU) to be considered relevant by the major markets that exist here. State procurement programs need to be modified to accept and purchase more recycled organic products. Organic processing activities often need to look to supplementing their processes with feedstocks from outside the MSW

stream - public waste managers need to recognize this. The process of obtaining permits for organics operations needs to be streamlined.

- Plastic and rubber recycling efforts need more attention and support. Our capabilities need to be improved to handle additional kinds of plastics besides bottles. Mixed plastics markets are still needed within the region. Plastic film and bags could be recovered in greater amounts through working with major retailers. Injection molded plastic containers (tubs) have been difficult to market because of the sorting required. Solutions need to be explored for continuing PRF operations once the APC subsidy is gone. Plastics are especially difficult to recover from rural areas.
- Tires are handled by primarily one regional processor and are used mostly for energy. Better inter-regional coordination is needed to insure the viability of this market and to promote market diversification.
- Help is needed to develop local markets for mixed and green glass cullet. A higher end use is needed than as rock substitute. Collectors are worried about the loss of glass as a target material in some collection programs that are considering commingling. In the past, some excess supplies have been shipped out of the region based upon favorable transportation prices that may not continue.
- Construction and demolition materials, including urban wood, and asphalt roofing materials are a major portion of the waste stream where separation is increasing faster than markets can keep pace. Painted and pressure-treated wood need to be addressed. Salvageable materials for reuse (fixtures, furnishings, etc.) are being landfilled.
- Oil is currently burned in a small number of industrial boilers. Fuel prices are expected to remain low. Collectors and processors operate on small margins. Therefore, alternative, higher value uses need to be considered.
- Help is needed to develop markets for mixed residential and mixed office papers. Scrap paper prices need to increase again to pay for collection. Waxed old corrugated containers and paper packaging from frozen foods pose unique collection and end market challenges.
- Clean, homogenous streams of “non-traditional materials” from commercial generators are being targeted for diversion but few end markets for these materials exist.
- Composite products are increasingly being developed that replace items formerly made of single materials (e.g. engineered wood products that incorporate concrete or plastics). It is prudent to begin research developing recycling/reuse/recovery markets for these materials.
- Recycling options for targeted household hazardous wastes such as paint, paint cans, consumer batteries, solvents, pesticides, and

similar materials could be developed if there were an adequate infrastructure and end markets.

- We need to look at markets for broken electronic parts, mixed metal-wire, and non-container plastics.
- Oregon has not yet gotten into textile recycling as some curbside programs elsewhere have. Research on markets and the best collection and processing practices would be useful.

Communication, Cooperation, and Common Vision - Identified Needs and Opportunities

- Basic questions need to be answered on the specific role(s) of government involvement in market development activities: What is to be accomplished? Who will benefit? How does it fulfill current laws and policy? Are expenditures cost-effective? Oregon market development programs need a focus and plan of action. We lack a focused program infrastructure in the state to work closely with industry.
- Conflicting regulations and policies between states, federal agencies, and local governments could be better coordinated within the region as they sometimes impede the development of markets. DEQ has restrictions on recycling of oil and similar products. Steps need to be taken to encourage recycling rather than suppress it.
- Overlapping and sometimes redundant public programs that impose unnecessary or duplicative paperwork burdens on businesses involved in recycling need to be better coordinated.
- A comprehensive clearinghouse is needed to let people know where recycled products can be obtained or where recyclable feedstocks are available. Success stories of local manufacturers who have used recycled materials to make products need to be publicized so existing businesses will take an interest. Information needs to be current and readily available as market information can change quickly.
- Many materials are currently used for a low value end use (e.g. wood as hogfuel) or are exported as baled product (e.g. plastics and paper to Asia) rather than as value-added items. From an environmental and employment standpoint, it is generally better to process recovered material as close to the point of generation as possible.
- We still need to convince some people that it doesn't take too much to recycle. It would be helpful to educate them on the full loop of activity and economic benefits of recycling. Our community leaders need to be better educated on the issues and more committed to making recycling work.
- Awareness needs to be raised on current products and programs in order to generate additional support and demand for recycled products and business assistance services. There is sometimes a lack of interest in investigating potential sources of recycled products to replace virgin products.
- We need to inspire the plastics industry and retailers to participate in recycling efforts. It also needs to be recognized that the existing Oregon plastics industry consists of a number of small manufacturers who buy the majority of their furnish from out-of-state resin manufacturers. Their capabilities to use materials recovered in the state are generally low. Industry associations from outside the state have played a lead role in assisting the development of plastics recovery programs.
- Agreement is needed on the primary drivers that can effect market development and that can be influenced at the local, state, and/or regional levels.
- The need for landfill diversion has often been used as a rationale for recycling efforts. A change in this rationale is needed as Oregon no longer has a landfill crisis.
- Those creating or implementing public policy need to understand the potential harm to collection and processing businesses that can result from creating false or non-sustainable markets. Those in these positions also need to exhibit a better understanding of and support for existing recycling businesses rather than displaying a bias for recruiting new businesses.
- The legislated mandate to divert 50 percent of the MSW waste stream creates a non-economic push to recover increasing amounts and types of materials. Those who set and work to meet these goals must understand the implications that they have for material supply and quality.

MARKET DEVELOPMENT OPTIONS AND DIRECTIONS
- WHERE MIGHT WE GO AND HOW MIGHT WE GET THERE?

In completing the needs survey, respondents were asked to provide their assessment of how much lesser or greater emphasis and attention is needed on market development over the next five years, compared with that of the last five years. Nearly 75 percent of those responding to this question thought that a greater emphasis or much greater emphasis is needed.

**Summary of Needs Survey Responses -
“What level of emphasis is needed on market
development over the next five years?”**

Responses:	3%	3%	20%	31%	43%
Possible Ratings:					
	1	2	3	4	5
	much less				much more
	emphasis				emphasis

Based upon this survey, there is some consensus that something more or different should be done than has been done previously. This chapter looks at alternative directions or emphases in market development that could be pursued for Oregon.

In recent years many states have evaluated their options and the tools available to them for undertaking public sector market development efforts. The range of program approaches considered in these evaluations could generally be classified according to the eight categories listed earlier (data collection & information sharing, promotion & education, coordination & facilitation, technical assistance, financial assistance, research & development, investment, and regulation & legislation). However, within this presentation of options, a different approach has been taken. The alternatives summarized in this section were suggested from the inputs of the needs surveys and the focus groups. They are organized according to visions and goals, paths and strategies, and roles and funding. This sequencing provides a logical framework for considering workable and systematic alternatives that match needs with solutions.

The Visions and Goals subsection provides a range of perspectives on both the relative level of effort needed, as well as a starting point for, developing a shared vision of where the state should head. The Paths and Strategies subsection is organized according to major needs and opportunity areas that would be addressed by the identified alternatives. The Roles and Funding subsection is initially organized into private versus public sector functions. Some of these suggestions for roles build upon or supplement the paths and strategies outlined in the prior subsection. This subsection also suggests organizations which might logically take the lead in directing and implementing

formal market development efforts, and how those efforts might be funded.

A final section summarizes other issues, concerns, or factors identified during the development of this paper.

Visions and Goals

A shared vision of and goals for what a formal market development program is expected to accomplish are essential if progress is to be made. Key themes suggested as visions or goals around which formal market development efforts might be structured include the following:

- Clarify Leadership Roles and Directions - Many agree that we should achieve a consensus within both the commodity and solid waste industries over government's appropriate role in market development. Some believe that less time and money should be spent on the public side and more should be spent on the private side. Many believe that action and productivity is needed rather than more studies and meetings. Many agree that we should justify all programs that are undertaken on the basis of needs and results and that we should be careful not to disrupt the progress that has already been made.
- Provide Leadership - Some believe it is important that Oregon should continue to lead the country in backing recycling. It is recognized by some that Oregon has the most sophisticated state recycling system with the weakest state recycling market development program. They believe that greater commitment and vision are needed at the state level if we are to be a leader in managing the growth of our markets.
- Address Key Commodities - Many feel that current efforts need to be kept on track while we focus on new commodities, such as yard waste, organics, and construction demolition (C&D) wastes that have the greatest potential for waste reduction. 25 percent of Oregon's waste stream is yard and wood wastes.
- Address Problem Commodities - A few believe that we need to find homes for all collected materials. Since the easy markets have been developed, we must now focus on markets for the difficult, marginal materials such as food contaminated paper, wax papers, and plastic films. Some suggest that a systematic approach needs to be taken to target materials, to identify specific end users, and to determine the mechanisms for recovery.
- Increase Value-Added Manufacturing - Some believe that a larger secondary materials based

economy can be developed if end use/product manufacturing functions are retained and expanded in the state or region. They consider it preferable to export finished or value-added products rather than recycled feedstocks. Oregon has an opportunity to be a major exporter of secondary value-added materials. They say that if efforts are made in this direction today, significant job growth will result tomorrow. One or two suggested that the government could recruit or work with existing processors to establish a plant in the state that manufactures high-quality recycled plastic products, such as panel board or plastic lumber.

- Continued ORMDC Role - Some believe that the ORMDC must continue to monitor and report on state recycling activities and industry's changing role. Paper, metal, glass, and plastic markets must continue to cooperate, fund, and participate in these efforts.
- Increase Market Pull for Recycled Products - Some believe that greater effort is needed to improve the market demand for recycled products. They believe that this helps to insure that the investments made by recycling mills can be recovered. Some have indicated that public agencies should use the power of public purchasing to accomplish recycling and natural resource conservation goals. They should lead by example in showing businesses and citizens that there are high quality recycled content products available.
- Focus on Rural and Eastern Oregon - Many have indicated that there needs to be increased attention on the special recycling market needs of Eastern and rural Oregon.
- View Market Development as a Resource Conservation Issue - Some believe that the recycling industry needs to remain committed to the parallel goals of maximizing recycling/composting and to conserving natural resources. This means minimizing the use of products that require recycling at the same time that we work to develop markets. They suggest that we expand the purview of market development to include reuse and waste minimization concepts (though these sometimes appear in conflict). A few indicated a desire to increase the interest, world-wide, in putting valuable nutrients back into the soil through composting. A number of people believe we should emphasize the highest and best use for recovered materials (i.e. utilize wood for wood products rather than for fuel).
- Address End Market Needs - A number of those surveyed believe it is important to improve the quantity, quality, and economics of recyclables collection and handling within the region. This will help to ensure an on-going, stable, low-cost supply of quality material for use by industry. This in turn will allow companies to recover their major processing system investments.

- Pay Attention to Market Economics - Some believe that we shouldn't spend money creating markets that aren't sustainable. They say that price signals should drive and direct the markets at all ends. Ultimately, recyclable feedstocks must compete economically with virgin resources. Markets rather than regulations must become the driving factor in defining approaches taken by agencies in waste management plans. A few see the need to cultivate a market climate that is not burdened by excessive and unnecessary regulations and fees on recycling operations.
- Focus on Cooperation and Communication - Some indicated an interest in furthering public/private partnerships to provide leadership for state market development efforts. This might include government cooperation with lenders to provide security deposits for high potential start-up recycling companies that would otherwise be considered too high risk. A few suggested that we provide a focal point for those with development ideas and institute flexible systems for facilitating the efforts of competent entrepreneurs. Many believe there is a need to increase the understanding of secondary markets and the wide range of product values and qualities that exist for these products. Some think that we should work towards greater regional coordination.
- Implement New Services and Approaches - Some indicated that they would like to see a state agency to serve Oregon that is like the Clean Washington Center and that has a similar mandate and funding. Others are interested in establishing a business incubator facility in Oregon that provides the professional resources and business infrastructure services needed to support the successful growth of entrepreneurial recycling businesses.

Paths and Strategies

For each of the noted needs and opportunities categories, specific suggestions have been offered on potential directions that would help to address the concern. In some cases, efforts have already been taken in the suggested directions. For those alternatives the suggested strategies have been flagged with a "P" symbol.

Paths and Strategies to Address Regional Processing and/or End Use Capacity and Demand

- Legislative action could be considered as one means to stabilize markets. Legislation could be developed to allow local end markets to compete with franchised garbage haulers for collection of recyclables.
- In cases where government restraints keep private enterprise from moving forward they could be reconsidered. As an example, the City of Portland ban on PS foam reduces the market for an in-region manufacturer of a recycled product.

- ✎ Tax breaks or short-term subsidies to end users who have to compete with the export market for supplies, could be used to provide incentives to keep recyclables here in the Northwest for closed-loop recycling.
- ✎ Government agencies could fund targeted contracts, solicited through RFPs, for pilot projects to demonstrate or commercialize new recycled products and recycling technologies. Studies could be conducted to investigate our capabilities to create value-added products at existing recycling processor operations.
- ✎ Government could support the development of a few new “flagship” recycled products in order get local manufacturers excited about opportunities to use available secondary materials in innovative ways - as the Deja Shoe Company did.
- Colleges and universities could obtain or be provided with research grants to develop cost-effective, quality products using recycled products as raw materials.

Paths and Strategies to Address Regional Supplies and Collection Systems

- ✎ Government agencies could work more with the recycling processors and end users who understand market issues. They could recognize contributions of these businesses towards identifying solutions.
- ✎ Haulers, collectors, processors, and consumers could identify ways to cooperate in preserving the quality of the material supply.
- Expanding Oregon’s Bottle Bill might help to increase high quality supplies of certain materials.
- ✎ Generators could be encouraged to provide further source separation of fiber materials at offices and residences so that a higher quality supply is available for mills.
- To increase and stabilize the supply of materials, government or industry could investigate options for: disposal bans (scrap paper and metal), development of a manual providing materials to aid marketing efforts (sample contracts, pricing mechanisms), and expansion of pre-sorting capabilities (similar to Weyerhaeuser’s quality sort center).
- Governments could consider placing taxes on non-recyclable packaging that would help to reduce their presence in the waste stream and their contamination of recovered supplies.

Paths and Strategies to Address Operator Experience and Capabilities

- The state could pursue the development of an autonomous self-sustaining program, on a smaller scale than the Clean Washington Center, that focuses on local technical or financial assistance services which are responsive to industry needs. Materials outside the MSW stream, such as industrial by-products, could also be addressed through such an organization.

- Government or non-profit organizations could offer engineering or other technical assistance to businesses considering the use of recyclables, via the national ReTAP partnership. Businesses could also be offered support in obtaining financing and in implementing plans to market their products.
- Recycling industrial parks could be established to help recycling businesses meet some of their common infrastructure needs or to overcome difficulties that have been noted with prohibitive zoning situations.
- ✎ The U.S. Small Business Administration (SBA), PSU, the Oregon Enterprise Forum, PCC, SCORE and others could provide tailored support for start-ups or off-shoot companies. Customized outreach and targeting of these existing services to promising recycling businesses could meet certain identified needs.
- National or state legislation could be supported or developed that isolates prudent lenders from the risks of litigation that might be brought against their clients or even against third parties involved with their clients (CERCLA).
- Government or non-profit organizations could help pay for advertising and marketing costs (ads, flyers, radio advertising) of those companies who already produce recycled products in Oregon and want to expand their utilization of recovered materials.

Paths and Strategies to Address Economics and Transportation

- ✎ The state could continue to offer and perhaps expand upon or liberalize the DEQ and DOE tax incentive programs. These existing efforts help to encourage needed investments and capitalization, and could be expanded.
- Economic development grants or loans could be used by Western Oregon markets to set-up a receiving or processing location(s) in Eastern Oregon.
- Industry or government could establish more recycling centers in rural areas or establish a co-op to help move materials more effectively.
- ✎ Industry or government could help develop secondary markets for glass, or other materials, in outlying areas to help address transportation cost issues.
- ✎ Market development efforts could be focused at the local level and on private businesses so that each sub-region develops most in those particular market areas that address their own unique needs.

Paths and Strategies to Address Material Specific Factors

Glass

- Government could work with industry to make a new glass bottle/container or other product from mixed cullet and then help industry market it to regional buyers.

- Someone could create a system for collecting, washing, and refilling wine bottles.
- Government could put more effort into assessing and demonstrating alternative non-aggregate uses for recovered glass (ceramics, art, etc.).

Organics, Yard Waste, & C & D

- Government or industry could provide research and development funding and implement pilot efforts to recycle organics, yard waste, waste wood, construction materials, used asphalt roofing, and food. Such efforts could also provide field trials or demonstration projects that show potential Oregon buyers the quality and value of compost products for a variety of uses. OSU could have involvement in these studies to gain credibility with local end markets. Results could be printed and distributed or otherwise publicized.
 - A manual could be developed on best management practices and siting criteria for composting food.
 - Governments or universities could coordinate technical studies to evaluate methods of identifying and handling wood treated with paint or preservatives so that wood can increasingly be used for mulch or value-added wood or paper manufacturing.
 - Efforts to increase recovery of these materials could be coordinated with existing or new industry associations.
 - Governments or universities could work to develop organic product quality standards tailored to Oregon.
- ☞ Government could work with industry to consider a public-private co-investment in a commercial food waste composting operation for the Portland area.

Plastics

- The state could set a goal of 50% recovery for plastic film and bags. Major retailers could cooperate in supporting the development of curbside recovery efforts or implement take-back programs.
- The state could develop a program to address the collection, processing, and end market needs that exist for non-bottle grade or injection molded plastics.

Special Materials

- Collection and processing systems and end markets could be evaluated for textiles, paper frozen food packaging, low-grade scrap paper, reusable building materials, as well as for targeted household hazardous wastes such as batteries, solvents, paints, and pesticides or for similar low volume materials.
- ☞ Local governments could set-up pilot projects to evaluate the potential for recovering certain of these materials.

Paths and Strategies to Address Communication, Cooperation, and Common Vision

- ☞ Government agencies could collect and provide data on markets and pricing to be used by recycling businesses. The state could establish an office to serve as a clearinghouse for local governments on the availability of recycled products. Greater coordination could be provided throughout the N.W. region in the development and use of such information. Related outreach efforts to train or link suppliers, manufacturers, and public buyers could be done by the same organization. A timely newsletter to industry on the status of, and opportunities in, the waste stream could be a part of this effort.
- Government agencies could coordinate to eliminate or scale-back redundant public programs or data collection efforts.
- ☞ Oregon government could expand upon its recycling of recoverable paper and emphasize its contributions to recycling.
- The state could establish and fund a state recycling market development office. This office could provide a range of services (grants, loans, studies, technical assistance, promotion of buy-recycled, etc.).
- Information and incentives could be provided to government agencies that encourage them to track-down and recruit manufacturers for recycled content items when a suitable application arises.
- The Oregon legislature could adopt a requirement for OEDD to participate in recycling market development. This could be tied to funding and to the accomplishment of state benchmarks.
- ☞ Recycling system development could be integrated as a priority in solid waste program planning and coordination efforts. This would assure that goal-setting, policy development, and related activities are undertaken with an awareness of how material supply and demand need to be balanced in the market place.
- Collection programs could be structured with cost control in mind and thorough evaluations could be given to various proposals for collection (e.g. commingling) and their effect on the quality of material that will be delivered to end users.
- Government and industry could develop a strategy to help grow value-added or secondary manufacturing capabilities within the state of Oregon.
- The state could identify roles where consumer groups or public interest groups can be effective in applying pressure or providing support for market development goals.

Roles and Funding

Suggestions for Roles to be Considered for Private Businesses

Inform, Promote, and Work Together

- Private business could better inform citizens of the market functions and economic benefits/factors that result from or effect our ability to recover material in Oregon.
- Private business could provide clear specifications, standards, and price signals that facilitate the purchasing of products or feedstocks with recycled material content.
- The private sector could take the lead in developing markets and in helping to assign a clear role for government.

Take Care of Business - Profitability

- Businesses are best suited to manage profitability and to reduce the costs of recycling efforts involving collection, processing, and end use. Private business could work with suppliers and markets to get the cost/price of materials down so that Oregon and Northwest mills can compete in the world market.
- Private business could find ways to stabilize pricing.
- Private business could apply their operational know how to solve certain recycling issues or problems.
- Private business could use more recycled content products.
- End users could secure their product supplies by working themselves further back toward the point of material generation. Weyerhaeuser's vertical integration is an example of how capital power can be used to insure stability.
- Private business could focus on encouraging cost-effective programs that are also politically and technically feasible.

Make Investments

- For rural areas the private sector could take the lead in providing both refuse collection and recycling and in establishing cooperative marketing efforts.
- Private enterprise could manage industrial and commercial recycling, while government focuses on residential wastes.
- The private sector could take the lead in developing MRFs or post-collection sortation systems.

Address Specific Materials

- If markets aren't available for certain materials distributors/retailers could be expected to take them back.
- The wood and building products industries could be required or encouraged to fund construction and demolition recovery systems and to use post-consumer materials in their products.
- Oregon businesses involved in organics processing could form an association and better define their agenda.
- Private business could remain aware of developments outside the US, including Canada

and Europe that might be successfully applied here. Especially in the area of compost technologies.

Suggestions for Roles to be Considered for the Public Sector (or Non-Profits)

Provide Needed Information Services

- The public sector could share information (hotline or written materials) on domestic and international markets and provide referrals or support to businesses or lenders in evaluating and interpreting this information.
- The public sector could promote the "buy-recycled" message through campaigns and information or directories. Public buyers would prefer to use Metro or a similar third party to provide unbiased information on available products, rather than manufacturers or distributors.

Maintain a Waste Management Orientation

- The public sector could continue to educate the public about the need and opportunity to recycle and reduce wastes. Emphases might include: stressing the importance of reducing waste and developing educational materials and sophisticated K-6 curriculums.
- The public sector could focus on residential recycling, and/or enhance commercial recycling, and/or increase multi-family recycling collection.
- The public sector could coordinate one annual summit each year to discuss issues and set one or two goals. The summit would provide an opportunity to review progress reports and decide the focus for the coming year.
- Government could stay out of the process of market development in order to not block the progress of the private sector to establish new markets. This might include setting limits to government intervention in collection, processing, and marketing. Arbitrary source reduction and recycling goals could be avoided. Some believe that the potential threat of public involvement in subsidizing any type of recycling plant or operation is a deterrent to private investment decisions as unfair (publicly funded) competition could quickly develop.

Provide Direction and Leadership

- The public sector could use a public process to determine priorities for expanded targeting of materials.
- The public sector could provide the lead in streamlining regulations and inter-regional coordination, in implementing business retention strategies, in the promotion of reconditioning and reuse operations, in developing strategies to diversify markets, and in implementing strategies to increase value-added processing by in-state companies.
- The public sector could coordinate with the private sector in the development and

implementation of solutions that meet the needs of developing markets for organics, C & D materials, oil, tires, unique commercial materials, and composite materials. The focus of these efforts could be encouraging new uses for specific items which should be recycled more or that need greater market strength (e.g., green glass).

- The public sector could encourage plastics recycling by expanding the collection of more kinds of plastic items in curbside programs and by coordinating inter-agency support for existing plastics processors.

Provide Services to Businesses

- Government agencies could administer programs to encourage recycling of borderline materials that are not presently profitable to recycle.
- The public sector could provide business/marketing and technology assistance services.
- The public sector could provide technical assistance, similar to the ReTAP role, in helping manufacturing firms locate the appropriate technologies to use recycled feedstocks.

Provide Financial Support for Businesses

- Government funds and technical assistance could be used primarily to stimulate new markets rather than ongoing markets and there should remain a priority for building self-sufficiency.
- Agencies could continue to provide or expand tax incentives for private investment. Environmental business park concepts could be explored.
- Government could help entrepreneurs with grants or low interest loans for developing new products or for recovery operations that are not economically viable in today's open market. Agencies could participate in conducting feasibility studies for new or expanded private investments.

Actively Pursue New Areas/Technologies

- The public sector could find and support alternative uses for recovered paper, plastics, metals, glass, and oil.
- The public sector could investigate higher value applications which industry may not have the resources to pursue.
- OSU could have a key role in the development of organic markets within the state.
- The public sector could help to develop product quality standards for compost or other materials.
- Public sector research could encourage the development of fuel blends that use fats, oils, solvents and used oil filter paper, or other hard to dispose of materials.
- The public sector could implement pilot projects to provide feedstocks for tests of technologies that use pre-consumer food waste for livestock feed (e.g. Metro organics project).

Direct Investment /Greater Commitment

- Public agencies could consider how the use of recycled or reusable products (air filters, oil, and antifreeze) could save them money. They could use more recycled items and actively seek out existing or potential suppliers who could manufacture recycled content items when needs arise.
- The public sector could build a MRF co-op that independent private recyclables or collectors can use to leverage volumes

Help to Address Industry Barriers

- The public sector could provide a profitable climate for recycling businesses through friendly regulation and the use of subsidies as a last resort. Agencies could avoid burdening industry with ill-targeted fees and regulations.
- The public sector could investigate and undertake efforts to expand and stabilize markets and market prices.
- Public agencies could provide incentives for large end users to work with small rural processors and collectors.

Suggestions on Leadership for Implementing Formal Market Development Efforts

Informal, Low-Profile, Undefined

- Some indicated that everyone should be involved - regulatory agencies, collectors, and end users. Whomever is the catalyst in any market, whether a material is grown or manufactured, should take the lead. It was noted that the responsible agency or organization needs enough influence to effect change at all levels of government.
- A few believe that the recycling industry and government should work together with some sort of 50/50 sharing of responsibilities and funding. A few indicated that the primary area of assistance needed is in increasing the volume and quality of the raw material supply.

Private Sector

- Some think that the private sector should take the lead in performing all recycling efforts under existing laws, and that no additional laws or regulations are needed.
- Others believe that the private sector would take the lead if government regulations were relaxed. They believe that those local industries, that would benefit the most, should take the lead. Local haulers and collectors must remain in the loop so that the markets will remain viable and stable while covering the costs to collect and process raw materials. Existing recycling businesses need local and regional support for their operations.
- A few feel that government should set long-term goals on recycling and collection rates while industry is held responsible for the specific end results. They then have the choice of making it happen or calling the bluff.

- Some believe that a panel of private sector recycling businesses should help set priorities for government agencies.

Existing Agencies/Organizations

- A number of people indicated that local governments need to take the lead in collection and that local leadership in market development may be appropriate where issues are too complex for a state-wide effort by any one agency. Some believe that local government should take the lead with funding from the local tax base. A few others noted that state government could provide the needed leadership without specifying the appropriate agency.
- Some believe that Metro could have a role in leading state market development efforts. It is perceived by some that Metro is capable of playing a role beyond the Portland region in certain key areas, such as C & D recycling, where such expertise may not need to be duplicated. A number of people indicated that Metro is not an appropriate agency to take the lead.
- Some indicated that a long-term program needs to be incubated within OEDD or through a much revamped ORMDC. OEDD has experience with existing programs for other industries in using the business development tools that are needed. OEDD should consider making secondary materials manufacturing a targeted sector as it has the experience in providing specialized technical assistance to various other industries. Skepticism was also expressed over OEDD involvement as the agency currently has too many other priorities to address and the recycling industry is not perceived as a major player or contributor of jobs.
- DEQ or ORMDC were also mentioned as possible lead organizations. However, a number of individuals indicated that DEQ was not an appropriate lead and many people feel that the ORMDC would not be effective in this role as it is currently formulated.
- Many see roles for AOR, ORRA, or OETA as non-profit organizations. For example, AOR could help by tracking prices or by developing some of the services to industry that may be inappropriate for public agencies to pursue.

New or Reformulated Organizations

- The major end use industry recognizes that creation of the ORMDC in legislation was a defensive strategy to keep the leadership role from being passed to DEQ. DEQ is seen as primarily a regulator that is not suited to manage the types of programs that are needed. Industry would like to see the current ORMDC reconfigured to oversee and represent the important policy issues. Staff level work of a standing "think tank" structured organization could be done, on an ongoing basis, in coordination with this policy group to respond to legislative questions and to act as a resource. Both public and private interests could be

represented in prioritizing and implementing market development efforts and objectives. Divisions could be expanded from that of the current Council and their composition could be more diverse. The reformulated organization could be funded through the state's general fund or tipping fees since industry voluntary funding is not seen as effective or comes with strings. It is believed that private funding won't help to address the most critical needs of emerging materials.

- Others believe that DEQ could effectively provide the necessary staff level support if directed by an ORMDC type policy making body.
- There is some support for developing a Clean Oregon Center, modeled after the Clean Washington Center, that would be funded by a secure source of long-term revenue (landfill surcharge or product sales tax.)

Other

- A few people believe that government should provide a focal point for effectively identifying, setting priorities, and coordinating needs and solutions. A simple and modest staff could manage the effort and use a small amount of investment money for very strategic pilot projects that would be useful and appropriate.

Suggestions on Funding for Implementing Formal Market Development Efforts

Industry

- The market place could fund its own development programs or investments as needed to use the available supply.
- Makers of products could help fund research for recovery of their particular products. For example, Hewlett Packard might provide research grants to recycle toner cartridges, General Foods should encourage recycling of syrup and oil bottles. The Aseptic Packaging Council might provide funding to support the development of markets and the infrastructure to recover paper packaging for frozen foods. Paper companies or converters could fund efforts to recover waxed OCC.
- The chemical and fertilizer industries might be tapped to help fund the development of Oregon's organic products industry. Alternatively, small operators could help raise some of their own money through self assessments on the volumes of material that they handle.

Solid Waste Disposal Surcharge/Tax

- A per ton fee could be collected on solid waste disposal/landfill tipping fees.
- A fee could be placed on waste or recyclables collection. Such a fee would allocate costs directly to those who reap the benefits of savings and price signals would provide clear direction on needed actions.

- Waste generators are the key stakeholders in getting new materials out of the waste stream. They and the governments who represent them could be the ones paying the costs for development of markets for new materials.

Advance Disposal Fees

- The sales of pressure-treated wood, paint, plastic shopping bags, asphalt roofing shingles, or items such as batteries or pesticides could be taxed to fund programs that address needed markets for these particular material streams. The tax could take the form of an advance disposal fee and be used to research or support markets and development of the infrastructure or special collection programs needed to recover these items.
- Unredeemed Bottle Bill deposits could be used to fund specific glass or plastic recycling efforts.
- Private business could fund the market development program by a development fee assessed on packaging materials.

Virgin Materials Tax

- Non-recyclable packaging could be taxed and the revenues used to promote alternative packaging.

Public Agency Budgets

- Someone suggested that block grants might be used at the local level for specific neighborhood projects.
- Lottery and/or rural development funds could be used as is currently done for other OEDD programs.
- Some of the money could come from county or city solid waste budgets.

Other/Mixed Funding

- A non-profit center could be funded through grants from state and local government, industry associations, and private foundations including: DEQ, OEDD, DOE, EPA, Metro, AOR, OETA, and the Bullit Foundation. This funding approach could provide: accountability without excessive politicization, equitable distribution of funding burden, and incentives to meet solid waste management, economic development, and resource conservation objectives at multiple levels.
- Someone suggested that the state could pay 25% of the budget while industry (affected parties, including retailers) picks up the rest. It was also noted that a better market development track record needs to be established before approaching the Legislature for significant programs and funding.
- Someone noted that to have a serious effect, the state needs to commit seed money to get an effort off the ground over a 2 to 3 year period. Eventually some funding needs to come from industry.

Other Issues, Concerns, and Factors for Consideration

- Many agreed that we need a clear definition of what market development is, where its been, and where it needs to go. Some feel we need an agreed upon definition of what constitutes a recycled product (e.g. post-consumer content standards, recyclability).
- Some felt that we must be realistic in the setting of recovery and diversion goals for the state that could skew the market place and that we should consider the effect of such regulations on the business community.
- Some believe that the Summit needs to result in action items that outline some hard and fast steps to be taken and who should take them.
- Several people indicated the need for full participation of all industry stakeholders in charting the state's market development path is essential.
- Some people believe that the Summit needs to address how Oregon's data, policies, and industry capacity effect the larger N.W. region and how Oregon can benefit from the activities, experience, and policies of neighboring states. They want to know how we can facilitate regional cooperation.
- Several commentators feel that the Summit needs to consider the SB 66 requirements being reviewed in DEQ's budget note process and the applicability or responsiveness of goals and mandates to local areas and statewide issues.
- A few noted that we should keep initiatives small and aimed at the next solid waste problem(s), such as C & D waste.
- Some believe that we should be concerned over the addition of other materials to the current Bottle Bill before markets and processes are developed.
- Someone noted that it is important that the Port of Portland maintain a competitive container export facility.
- Someone indicated that a reality check is needed on what can be accomplished given the state's economy and the inadequate funding of basic services such as libraries and schools.
- Someone noted that DEQ has a growing tendency to advocate, through the growth of its hazardous materials/waste rules, for the disposal of materials, rather than to encourage recycling.
- Someone indicated that is important to lobby for changes in the continued federal subsidy of resource-extraction industries that put the recycling industry at an artificial disadvantage.
- Several people noted that there is a similarity between exporting raw recyclables and raw logs. Value should be added to these commodities here. They should not be exported without adding value.
- A number of public procurement people noted that for recycled product manufacturers to better

serve and access public procurement markets, it is important to recognize a number of trends: increased use of electronic product listings and competitive bidding, solicitations of bids from minority, disadvantaged, and women-owned businesses, and increased cooperative purchasing.

SUMMIT RESULTS - WHAT CAME OUT OF THE MAY 4TH SUMMIT?

The May 4th Summit was attended by 107 people. Discussions throughout the day were spirited. There was substantial interaction among panelists, resource people, and audience participants. Summit organizers were pleased with the level of interest exhibited by all attendees on the issue of recycling market development and agreed that many of their objectives for the Summit process were successfully accomplished.

General Goals

The eleven panelists shared their goals for the day and their general “big picture” perspectives on appropriate and needed market development approaches. Key concepts that were highlighted as important to the various panelists were consistent with many of the visions and goals noted in the briefing paper:

- Develop a clear strategic vision, clarify/articulate/measure progress towards goals, consider global trends, take long-term resource conservation perspective.
- Pay attention to market economics, don't depend on “false” markets, facilitate atmosphere where secondary raw materials are competitive with virgin materials.
- Focus on cooperation and communication (both within industry/government and with the public), plan for an annual Summit, be frank/open/honest, encourage competition on a level playing field.
- Be practical. Government and industry associations should focus on enabling private markets to develop rather than on stimulating development.
- Recognize that local implementation often lags behind state-wide policy development.
- Stabilize existing markets, build on successes, maintain quality supplies and collection systems for mature commodities, continue the commodity division efforts of ORMDC which provide an effective means for industry coordination in development of solutions.
- Identify and address opportunities for collection and end use of new materials such as organics and construction and demolition debris.
- Expand and initiate efforts to geared to meeting the needs of rural Oregon.
- Support and expand those partnerships with and among industry which are needed to address complex barriers and leverage existing resources for optimum cost-effectiveness.
- Obtain a stable source of funding with a mix of public/private dollars.

The panelists agreed with a broad definition of the term “market development” similar to that presented on page 2 of the briefing paper:

Any private or public action or set of actions taken with the intention of improving the viability, profitability, stability, and/or long-term health of the recycling industry and particular operations or functions that exist within it, either through the improvement of material supply qualities and quantities in separation, collection, processing, and transporting activities, or in the manufacture and purchase of, or increased demand for, products made by secondary material end users.

Considerable discussion, involving both panelists and audience participants, focused upon whether waste minimization/source reduction activities and priorities should be incorporated into the scope of what is covered by recycling market development. It was generally agreed that efforts to support the health and development of reuse/reconditioning oriented businesses specifically, and to encourage resource efficiency generally, do fall within the umbrella of recycling market development. However, it was also generally agreed that recycling market development efforts should not include source reduction and waste minimization, since these don't promote market development.

Does Oregon Need a Formal Market Development Effort?

There was a consensus that Oregon does need on-going formal market development efforts, although the specific scope of such efforts was not defined. Many reasons for market development efforts were suggested including: the need for regional-state-local coordination, the fact that recovery is just getting started for many materials that do not yet have mature markets, and the fact that the public wants to recycle more. The scope and scale of Oregon's formal recycling market development efforts need to reflect real needs and cost-effective strategies to address them. They also should be consistent with a long-term vision for what needs to be accomplished and with the realities of the marketplace.

What Should a Formal Market Development Effort Accomplish? - Specific Goals

Members of the panel and the audience were each asked to note on a card the three things that they would like to see accomplished, over the next three to five years, as a result of Oregon market development efforts. Through an interactive, group process, these

suggestions were reduced to the following seven specific goals:

- Quantify and recognize the size and value of the recycling industry within Oregon (including value-added manufacturing). Gain the designation of “key industry” status for recycling and resource efficiency/source reduction related activities/businesses.
- Improve the stability of current recycling markets. Establish and attain a recycling business retention goal.
- Stabilize the demand for non-mainstream materials, including organics.
- Increase procurement of recycled products by both government and the private sector.
- Improve the efficiency of the recycling infrastructure.
- Create a centralized clearinghouse for information on markets and market development programs/services. Address both inter-state and intra-state resource needs (e.g. comprehensive market/material inventories and Metro-style Recycling Information Center hotline).
- Improve the recyclability of products and packaging.

There was a general consensus that efforts to achieve these objectives should use existing resources where possible and result in real impacts which meet clear measurable objectives. This should be done with an eye on the needs of eastern and rural Oregon as well as upon those of the more urban areas of the state. Efforts also should recognize and be consistent with the state’s diversion goals and the waste management hierarchy. Other possible actions suggested during the Summit and not noted earlier in the briefing paper included:

- Implement a program to recognize businesses that incorporate “design for recycling” principles into their products and packaging.
- Offer a high-quality training program in recycling economics so that all those involved in related areas have a common understanding of how market forces interact.
- Develop clear objectives and measurement tools to evaluate the success of market development efforts.
- Assess and research the effects of local and regional regulations on recycling markets.
- Reduce the diversity of materials in the waste stream.
- Narrow the focus of market development efforts to those commodities where we can make the most difference.

Who Should Do What?

There was agreement that, to be effective, ORMDC needs to be reconfigured, revitalized, or restructured in order to:

- Function as a private or non-profit (501(c)(3)) organization that is eligible to receive public as well as private grants - lack of funding was identified as one of the ORMDC’s major impediments.
- Provide guidance to public and private market development efforts within the state and to set priorities - this might be done through an annual Summit.
- Address a broad range of commodities - particularly organics and construction & demolition debris.
- Provide staff that does the legwork which cannot be effectively done by volunteer members that serve on the Council or its divisions - staff could serve as a clearinghouse for recycling market related information and/or could be housed in association with an existing agency or organization.
- Play a key ongoing and expanded role in inter-state efforts and in coordinating recycling market development efforts and funding with OEDD, DEQ, DOE, the Clean Washington Center, and with local/regional governments.
- Provide links with AOR, ORRA, OETA, AOI, and others in analyzing and addressing the common needs of the Oregon recycling industry.

If recycling were to be designated as a “key industry” (this requires legislative action), the Oregon Economic Development Department could be available to work with an industry trade association in surveying needs and identifying and implementing industry-driven strategies to increase industry competitiveness. Even without this designation, the Oregon Economic Development Department can work with the recycling industry sector through the already designated environmental key industry and its trade association, the Oregon Environmental Technology Association. Typically, key industry trade associations work closely with the Oregon Economic Development Department to identify industry development priorities. Each industry is expected to invest their own resources to fund much of the required development work. Strategies that industries have identified to increase global competitiveness have included: facilitating access to capital, work force training, promotion, and support for export initiatives.

The resulting strategies and services, organized from an industry point of view, are then implemented in partnership with communities or regions where the industry is targeted. Communities and regions of the state may also initiate industry projects under the Regional Strategies Program. Three of Oregon’s twelve regions have selected the environmental industry as one of three priority industries for regional development. The Oregon Economic Development Commission is currently reviewing the criteria for key industry designation and will be making recommendations to the 1997 legislative session.

Some partnering between the Oregon Recycling Markets Development Council and the Oregon Economic Development Department after the Clean Washington Center model, might provide advantages without creating additional organizations that duplicate existing services. A recyclables commission, similar to the Oregon tourism or film commissions, could be incubated in an alliance with the department and then spun-out as an autonomous industry organization. Local/regional governments and the Department of Environmental Quality, as those charged with managing or regulating waste within the state, have substantial interest in the success of market development efforts and should have key roles in any efforts to pursue meaningful solutions.

There was some discussion over the functions and structure of the Clean Washington Center (CWC). The Center's Director shared his perspectives. The Center, within Washington's Department of Community Trade and Economic Development Department (CTED), had been funded through a solid waste tax and now is funded solely from the state's litter tax (collected on a small percentage of the gross receipts from businesses that sell packaged items). This association with CTED was helpful in the early stages of the state's recycling market development efforts as the agency had the required business expertise and skills and has been able to facilitate bond funding for a number of projects. As the current source of funding for Center operations runs out in June of 1997 (recycling market development was seen as only a temporary mission of state government), the Center is looking at the possibility of transitioning to a non-profit or some other sort of organization that would be separate from CTED. With such a shift, if it occurs, it may be possible to work directly with and for businesses in addressing engineering, and business efficiency issues. Under this scenario, the Center would share risks with its clients in exchange for royalties if their clients profits increase as a result of the Center's services. The Clean Washington Center has about 12 employees that are funded through state funds and another 11 to 12 positions that are funded from outside sources, including a large federal grant.

Some interest was expressed by Summit panelists in either developing an organization for Oregon with a similar role as the CWC, though on a much smaller scale, or in developing a more formalized partnership with the existing or restructured CWC to take advantage of the skills, expertise and experience that already exists there. Some blending of the skills and functions of ORMDC and OEDD might produce a CWC-like organization without the need for a totally new entity. DEQ, Metro, and the Clean Washington Center might be tapped to provide some of the technical expertise which would be needed to fill-out the appropriate set of services.

Beyond these basic concepts for who could do what, it was generally recognized that details on the division of roles and responsibilities between state agencies, local governments, industry associations, and a restructured ORMDC need to be resolved through further work at a

committee level (this is discussed below). There was also a general sense that the "who" question needs to be answered once there is an answer to the "how much?" and "how big?" or "what will be done?" questions. There was a general sense among panelists and participants that Oregon's recycling market development efforts will not require a large organization and that the key challenges could likely be met with a paid staff of somewhere between two to four individuals if clear direction is given on the issues to be addressed and the services to be provided.

How Should Formal Market Development Efforts be Funded?

A key theme of the funding discussion revolved around the need to estimate how much money would be required before any clarity could be obtained on where the funding should come from. If the annual funding requirement is in the range of \$100,000 to \$250,000, it is quite possible that sufficient money could come from adjustments to and redirection of funds already in government agency budgets and through increased support for market development initiatives by industry. OEDD grants for multi-region projects; DEQ grant funds and reallocation of DEQ budgets from "rates and dates" assessment programs; as well as possible Metro, CWC/NIST (National Institute of Standards and Technology), or EPA funding; and AOR, ORRA, AOI, and OETA contributions were variously mentioned as examples of where such funding could be obtained. It was noted that with a clear vision of what should be done and with a structured and focused leadership, a modest level of funding could be leveraged to accomplish a lot.

It was noted that the ORMDC has spent a total of \$120,000 over five years and that this year's spending is under \$20,000. In addition, the commodity divisions have been self supporting. As noted earlier, it was felt that this level of funding has been inadequate for accomplishing anything substantive. If the coordinating body for Oregon market development efforts is established as a non-profit organization and is structured to be responsive to industry needs, it is likely that voluntary support and contributions from industry can be increased. However, a clear paradox exists in that the commodity industries that can most afford to help with funding market development efforts are generally the ones who need it the least, while those industry sectors who could truly benefit from investments in market development (such as organics processors or rural recycling businesses) are unable to contribute much.

There was a general consensus that mature industries should bear most of the costs for market development efforts from which they directly benefit. Some public funds should also be applied to those market development efforts for established commodities that provide greater direct benefits to the public interest than to in-state industry interests (as an example, efforts to develop the in-state plastics recycling infrastructure haven't provided much direct benefit to Oregon plastic manufacturers). Some people believe

that end use industries should pay for the value which they receive from market development efforts and that local governments or collection programs should also have a role in supporting market development efforts that are directed at finding stable homes for the materials they collect. There was a consensus that formal market development efforts for emerging industries should be primarily publicly funded, with the expectation that there will eventually be a return on this public investment.

If Oregon's market development efforts will require funding beyond the amount that can be obtained from increased private sector support or through redirection of public funds, there was agreement that the new sources should be linked to the specific defined services that will be provided and to targeted goals and accomplishments. Sunset provisions for new funds would be consistent with the expectation that recycling market development efforts should result in self-sustaining systems. Possible funding sources to be looked at include those mentioned earlier in the briefing paper as well as unredeemed beverage container deposits, general tax revenues, a solid waste surcharge, and OEDD regional strategies monies. Participants agreed that, before such new funding options are considered, some effort needs to be put into detailing the amount and use of the needed funds so that appropriate justification is provided. There was a consensus that such an analysis is most appropriate at a committee level rather than within the context of a large group such as the Summit.

What Next Steps are Needed?

As noted above, the scope and scale of market development efforts for Oregon need to be refined before funding and implementation issues can be resolved. A number of participants agreed to serve on an ad hoc committee that will meet over the next few months to develop a specific proposal for future market development efforts in Oregon. Those who volunteered for this committee include: Bill Snyder, Jerry Powell, Andy Sloop, Suzanne Johannsen, Steve Gunther, Paul Cosgrove, Pat Vernon, Chris Taylor, Glenn Zimmerman, Jeff Gage, an AOR representative, and an ORRA representative. Summit panelists requested that they be kept informed of this

committee's progress and indicated a willingness to help if called upon.

The stated purpose/process of this committee will be to:

1. Briefly review the inputs to and the outcomes of the Summit.
2. Quickly clarify the specific goals and desired accomplishments for and intended benefits of Oregon market development efforts over the next several years.
3. Identify and propose specific strategies to accomplish these goals.
4. Estimate the needed resources and costs for accomplishing the goals.
5. Propose potential funding sources to support each goal.
6. Propose specific organizational modifications to the ORMDC structure/charge and identify appropriate roles for any needed staff, other agencies, or organizations.
7. Summarize the results of the committee's efforts and pose the questions that would appropriately be addressed and discussed in a follow-on forum to the Summit to close the loop on the leadership, funding, and other key issues that remain.

It was stressed that the committee would need to act quickly in order to have an impact upon the DEQ budget note process and to develop concrete recommendations for ORMDC's annual report. It was also noted that the committee might be most effective if it focused on detailing just a few concrete action items and assign estimated price tags, rather than on attempting to address all issues in a comprehensive fashion.

The Summit organizing committee wishes to once again express its thanks to each of the panelists, participants, and others who contributed to the success of Oregon's first recycling market development Summit. Thank you! We are encouraged by your on-going interest and involvement in helping to shape the direction of the state's efforts in this area.

